

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF NORTH CAROLINA  
RALEIGH DIVISION

**FILED**

SEP 21 2000

PEGGY B. DEANS, CLERK  
U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF N.C.

IN RE:

INTERNATIONAL HERITAGE, INC.

Debtor.

CASE NO. 98-02675-5-ATS  
CHAPTER 7

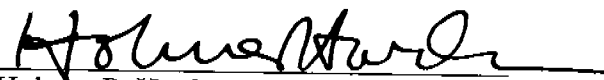
SECOND INTERIM APPLICATION FOR PAYMENT  
OF ACCOUNTANT'S FEES AND EXPENSES

NOW COMES Holmes P. Harden, Trustee in the above-referenced case, and applies to the Court for authority to pay Adams Consulting Group accountant's fees and expenses in the amount of Ten Thousand One Hundred Four and 08/100 (\$10,104.08) representing compensation in the amount of \$9,353.50, and reimbursement of necessary expenses in the amount of \$750.58 for services rendered from September 21, 1999 through August 25, 2000.

Debtor filed a voluntary petition in Chapter 7 bankruptcy on November 25, 1998. An order approving the employment of Adams Consulting Group was entered on January 8, 1999 at a rate not to exceed \$110.00 per hour.

A copy of the accountant's bill and biographical information is attached to this Application. In the opinion of the Trustee, such accountant's fee and expense reimbursement is reasonable and just.

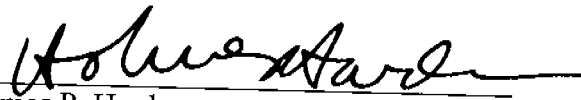
Respectfully submitted, this 21<sup>st</sup> day of September, 2000.

  
Holmes P. Harden  
Trustee for Debtor

N. C. State Bar No. 9835  
3200 Beechleaf Court  
Post Office Drawer 19764  
Raleigh, North Carolina 27619  
Telephone: (919) 981-4000

CERTIFICATE OF SERVICE

I, Holmes P. Harden, Trustee for International Heritage, Inc., do hereby certify that the Second Interim Application for Payment of Accountant's Fees and Expenses, hereto attached, was served upon the parties listed below by mailing a copy thereof to each such party at the address indicated below with its proper postage attached and deposited in an official depository under the exclusive care and custody of the United States Post Office in Raleigh, North Carolina, on the 21<sup>st</sup> day of September, 2000.

By:   
Holmes P. Harden  
Trustee for Debtor  
N. C. State Bar No. 9835  
3200 Beechleaf Court  
Post Office Drawer 19764  
Raleigh, North Carolina 27619  
Telephone: (919) 981-4000

SERVED:

Marjorie K. Lynch  
Bankruptcy Administrator  
Post Office Box 3039-Century Station  
Raleigh, North Carolina 27602-3039

Craig Adams  
Adams Consulting Group, P.A.  
3622 Haworth Drive  
Raleigh, NC 27609

**Invoice Date:** August 30, 2000  
**Invoice Number:** 00100994  
**Client Number:** 9002 007

Adams Consulting Group, P.A. • Certified Public Accountants and Business Development Advisors  
3622 Haworth Drive • Raleigh, NC 27609 • tel 919.781.3581 • fax 919.881.0611

## INTERNATIONAL HERITAGE, INC.

Emp ID	Employee Name	Date	Rate	Hrs/Itms	Amount	Description
032	Jessie Chang	05/18/99	\$ 95.00	1.00	\$ 95.00	Telephone Cindy Beatty of NC Employment Security regarding IHI's ex-employee Edward Carey's first quarter 1998 payroll information, review Great Plain's record for this purposes, fax Employee's earnings records to Ms. Beatty.
045	Sam Yenne	09/21/99	\$ 110.00	1.90	\$ 209.00	printing of monthly financial statements and attempting to get data for preference analysis
001	Craig Adams	09/22/99	\$ 120.00	1.40	\$ 168.00	Prepare invoice
045	Sam Yenne	09/22/99	\$ 110.00	0.60	\$ 66.00	Review of voluminous records to aid trustee in preference analysis
045	Sam Yenne	09/23/99	\$ 110.00	0.90	\$ 99.00	Review of voluminous records to aid trustee in preference analysis
045	Sam Yenne	09/23/99	\$ 110.00	2.50	\$ 275.00	Review of voluminous records to aid trustee in preference analysis
045	Sam Yenne	09/23/99	\$ 110.00	1.50	\$ 165.00	Review of voluminous records to aid trustee in preference analysis
105	Susan Grimshaw	09/23/99	\$ 55.00	0.50	\$ 27.50	Assist with review of voluminous records to aid trustee in preference analysis
001	Craig Adams	09/24/99	\$ 120.00	0.80	\$ 96.00	Retrieve from Great Plains software financial statements by month for period 11-1-96 to 12-31-98 as requested by Gary Mallot, US attorney
105	Susan Grimshaw	09/24/99	\$ 55.00	1.70	\$ 93.50	Assist with review of voluminous records to aid trustee in preference analysis
001	Craig Adams	09/27/99	\$ 120.00	0.20	\$ 24.00	Assist with review of voluminous records to aid trustee in preference analysis
045	Sam Yenne	09/27/99	\$ 110.00	4.30	\$ 473.00	Review of voluminous records to aid trustee in preference analysis
004	Donna McNeal	09/28/99	\$ 65.00	0.30	\$ 19.50	Determine W-2 requirements
045	Sam Yenne	09/29/99	\$ 110.00	1.80	\$ 198.00	Review of voluminous records to aid trustee in preference analysis
045	Sam Yenne	09/30/99	\$ 110.00	2.40	\$ 264.00	Review of voluminous records to aid trustee in preference analysis
045	Sam Yenne	10/04/99	\$ 110.00	5.40	\$ 594.00	Review of voluminous records to aid trustee in preference analysis
001	Craig Adams	10/05/99	\$ 120.00	0.60	\$ 72.00	Conference here with Garry Mlot and Joan Fleming - - FBI
004	Donna McNeal	10/05/99	\$ 65.00	0.20	\$ 13.00	Correspondence to Joan Fleming, FBI regarding computer access
045	Sam Yenne	10/05/99	\$ 110.00	1.20	\$ 132.00	meeting w/ Joan Flemming and Gary Mlot concerning IHI accounting data. and followup phone calls to Alisa Jernigan and Keith Bryson.
045	Sam Yenne	10/05/99	\$ 110.00	3.90	\$ 429.00	preference analysis. Reviewed statement of financial affairs as

## INTERNATIONAL HERITAGE, INC.

Emp ID	Employee Name	Date	Rate	Hrs/Itms	Amount	Description
						compared to data obtained from original source documents.
						Amounts paid to Jewels by Evonne and Mayflower Capital in the statement of financial affairs amendment is significantly more than the amount showing on the check register pulled from Great Plains data.
045	Sam Yenne	10/07/99	\$ 110.00	1.40	\$ 154.00	rerun check register with different filters for preference analysis
001	Craig Adams	10/11/99	\$ 120.00	1.20	\$ 144.00	Review preliminary vendor listing of insider preferences pulled from Great Plains software
045	Sam Yenne	10/11/99	\$ 110.00	0.40	\$ 44.00	phone call to Alisa Jernigan attempting to find information in Great Plains for preference analysis.
001	Craig Adams	10/12/99	\$ 120.00	4.20	\$ 504.00	Review reports generated by Great Plains for detailed insider activity. Compare to reports provided in Statement of Financial Affairs. Note discrepancies and try to resolve. Discuss with trustee's council.
045	Sam Yenne	10/12/99	\$ 110.00	0.40	\$ 44.00	Review of available records to determine if preference analysis of benefit to estate
001	Craig Adams	10/18/99	\$ 120.00	0.60	\$ 72.00	Preparation of insider transfer schedules
001	Craig Adams	10/18/99	\$ 120.00	0.20	\$ 24.00	Telephone conference with S. Humrickhouse regarding format for insider transfers
043	Roxane Gabrielson	10/27/99	\$ 95.00	0.30	\$ 28.50	call to Clea Ponder at florida Dept of Rev to provide case # date of Cpter 7 and trustee name & phone #
045	Sam Yenne	10/28/99	\$ 110.00	1.50	\$ 165.00	Preference of preference analysis report to aid trustee
045	Sam Yenne	10/28/99	\$ 110.00	1.40	\$ 154.00	Preference of preference analysis report to aid trustee
104	Cindy Mandel	11/23/99	\$ 55.00	0.10	\$ 5.50	Preparation of 1999 W-2s
105	Susan Grimshaw	11/30/99	\$ 55.00	0.30	\$ 16.50	research to determine necessity of preparing W-2s for 1999, e-mail to Jenny Johnson and discussion with Donna
001	Craig Adams	12/13/99	\$ 120.00	1.20	\$ 144.00	Review correspondence from Brent Wood regarding a \$342,237.64 tax claim from the state of Texas. Review Plaintiff's First Amended Petition
042	Cindy Parrish	12/14/99	\$ 75.00	1.40	\$ 105.00	Review letter from attorney regarding sales tax due
032	Jessie Chang	12/15/99	\$ 95.00	0.60	\$ 57.00	Review accounting records in Great Plains to determine Texas sales tax liability pertaining to Texas Law suit brought against Stan Van Etten
042	Cindy Parrish	12/15/99	\$ 75.00	0.90	\$ 67.50	Research sales tax payable claim; office

## INTERNATIONAL HERITAGE, INC.

Emp ID	Employee Name	Date	Rate	Hrs/Itms	Amount	Description
001	Craig Adams	12/17/99	\$ 120.00	0.60	\$ 72.00	conference with Jessie regarding same.
001	Craig Adams	01/07/00	\$ 125.00	1.10	\$ 137.50	Telephone conference with trustee regarding Texas \$375,000 sales tax claim- It's priority to the estate and whether it is primarily a Van Etten claim. Follow up call with Brent Wood, council for Van Etten
104	Cindy Mandel	01/20/00	\$ 60.00	1.50	\$ 90.00	Preparation of 1099s
047	Gretchen Williams	01/24/00	\$ 45.00	0.80	\$ 36.00	Assist with 1099 preparation
045	Sam Yenne	01/31/00	\$ 75.00	0.50	\$ 37.50	reviewed 1099's
001	Craig Adams	02/02/00	\$ 125.00	1.10	\$ 137.50	Partner review and correct 1099s for 1999
004	Donna McNeal	02/02/00	\$ 65.00	0.50	\$ 32.50	Answer questions regarding 1099s and return calls to recipients.
004	Donna McNeal	02/02/00	\$ 65.00	0.30	\$ 19.50	Review 1099s
104	Cindy Mandel	02/02/00	\$ 60.00	0.80	\$ 48.00	Prepare 1099s.
004	Donna McNeal	02/04/00	\$ 65.00	0.20	\$ 13.00	Review 1099s
104	Cindy Mandel	02/04/00	\$ 60.00	0.90	\$ 54.00	Prepare 1099s.
045	Sam Yenne	02/07/00	\$ 125.00	0.40	\$ 50.00	review of 1099s and 1096
047	Gretchen Williams	02/07/00	\$ 45.00	0.10	\$ 4.50	added missing information to 1096
104	Cindy Mandel	02/07/00	\$ 60.00	0.10	\$ 6.00	1099 preparation.
047	Gretchen Williams	02/10/00	\$ 45.00	0.30	\$ 13.50	assist with 1099 preparation
045	Sam Yenne	02/24/00	\$ 125.00	0.50	\$ 62.50	phone call from IHI 1099 vendor requesting information concerning their 1099
100	Sharon Wilson	02/28/00	\$ 45.00	0.20	\$ 9.00	Prepare extension
004	Donna McNeal	03/10/00	\$ 65.00	0.10	\$ 6.50	Review extension
004	Donna McNeal	05/12/00	\$ 65.00	0.30	\$ 19.50	Review file to begin preparation of return
001	Craig Adams	07/18/00	\$ 125.00	3.90	\$ 487.50	Continue to work on preference analysis
025	Richele Spruill	07/18/00	\$ 50.00	0.20	\$ 10.00	Assist with preference analysis
001	Craig Adams	07/24/00	\$ 125.00	0.90	\$ 112.50	Continue work on preference analysis including telephone conference with Gary Mlot of attorney generals office
001	Craig Adams	07/25/00	\$ 125.00	2.40	\$ 300.00	Preference and insider analysis
001	Craig Adams	07/26/00	\$ 125.00	0.70	\$ 87.50	Conference with Stephanie Humrickhouse council for trustee to review status of preference and insider schedules
001	Craig Adams	07/26/00	\$ 125.00	3.50	\$ 437.50	Preparation of preference and insider schedules
001	Craig Adams	07/26/00	\$ 125.00	0.40	\$ 50.00	Telephone conference with Joan Fleming (FBI) to discuss records she has that we need access to.
001	Craig Adams	07/27/00	\$ 125.00	1.80	\$ 225.00	Meet with Gary Mlot to review records in their possession
001	Craig Adams	07/27/00	\$ 125.00	0.80	\$ 100.00	Continue preference analysis
004	Donna McNeal	08/01/00	\$ 65.00	0.30	\$ 19.50	Review 7/27/00 trustee report
001	Craig Adams	08/02/00	\$ 125.00	1.10	\$ 137.50	Preference analysis including meeting with Great Plains software experts to organize information to aid S Humrickhouse with preference correspondence
100	Sharon Wilson	08/02/00	\$ 45.00	1.50	\$ 67.50	Work with Intelligent Tech. re: problems

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Emp ID	Employee Name	Date	Rate	Hrs/Itms	Amount	Description
032	Jessie Chang	08/02/00	\$ 100.00	0.40	\$ 40.00	w/ Great Plains Software necessary to continue printing information for preference analysis
100	Sharon Wilson	08/07/00	\$ 45.00	0.60	\$ 27.00	Preparation of 12/31/1999 corporation income tax returns
100	Sharon Wilson	08/09/00	\$ 45.00	1.20	\$ 54.00	Preparation of spreadsheet for Craig to assist with preference analysis
100	Sharon Wilson	08/10/00	\$ 45.00	1.90	\$ 85.50	Continue work on spreadsheet for Craig to assist with preference analysis
100	Sharon Wilson	08/10/00	\$ 45.00	4.60	\$ 207.00	Continue work on spreadsheet for Craig to assist with preference analysis
100	Sharon Wilson	08/14/00	\$ 45.00	2.50	\$ 112.50	Continue work on spreadsheet for Craig to assist with preference analysis
001	Craig Adams	08/15/00	\$ 125.00	0.40	\$ 50.00	Merge of addresses into spreadsheet of vendors to provide preference list with addresses for trustee
100	Sharon Wilson	08/17/00	\$ 45.00	2.60	\$ 117.00	Continue work on spreadsheet for Craig to assist with preference analysis
100	Sharon Wilson	08/21/00	\$ 45.00	2.20	\$ 99.00	Continue work on spreadsheet for Craig to assist with preference analysis
100	Sharon Wilson	08/21/00	\$ 45.00	3.10	\$ 139.50	Continue work on spreadsheet for Craig to assist with preference analysis
100	Sharon Wilson	08/22/00	\$ 45.00	5.20	\$ 234.00	Continue work on spreadsheet for Craig to assist with preference analysis
100	Sharon Wilson	08/23/00	\$ 45.00	1.00	\$ 45.00	Continue work on spreadsheet for Craig to assist with preference analysis
100	Sharon Wilson	08/23/00	\$ 45.00	0.40	\$ 18.00	Complete work on spreadsheet for Craig to assist with preference analysis
Subtotal work				103.10	\$ 9,353.50	
999	General Administrative	09/29/99	\$ 1.00	37.20	\$ 37.20	payment to Intelligent Tech to assist with Great Plains software
999	General Administrative	09/29/99	\$ 1.00	6.00	\$ 6.00	copies
999	General Administrative	07/28/00	\$ 1.00	70.00	\$ 70.00	payment to Intelligent Tech to assist with Great Plains software
999	General Administrative	10/27/99	\$ 1.00	35.00	\$ 35.00	payment to Intelligent Tech to assist with Great Plains software
999	General Administrative	03/06/00	\$ 1.00	254.88	\$ 254.88	payment to Intelligent Tech to assist with Great Plains software
999	General Administrative	08/14/00	\$ 1.00	210.00	\$ 210.00	payment to Intelligent Tech to assist with Great Plains software
999	General Administrative	08/24/00	\$ 1.00	137.50	\$ 137.50	payment to Intelligent Tech to assist with Great Plains software
Subtotal expenses					\$ 750.58	
Total					\$ 10,104.08	